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**DS SMITH EXTENDS ITS RECOVERED PAPER COLLECTION
INFRASTRUCTURE BY ACQUIRING BPB RECYCLING**

DS Smith Plc, the international packaging manufacturer and office products wholesaler, has agreed to acquire BPB Recycling from BPB PLC, the world's leading plasterboard manufacturer, subject to clearance from the Office of Fair Trading.

BPB Recycling is a recovered paper collection business with five collection depots mainly in the North of England and Scotland. BPB Recycling had net assets of £8.8 million at 31 March 2004 and employs approximately 140 people.

This acquisition supports DS Smith's strategy of developing its European positions in Paper and Corrugated Packaging. The geographic spread of the BPB Recycling depots is complementary to the existing UK depot infrastructure of DS Smith's business, Severnside Recycling, which has 14 collection depots mainly in the South of England and Wales. Recovered paper is the principal raw material in the production of recycled paper. DS Smith's subsidiary, St Regis Paper Company, is a major manufacturer of recycled paper; 75% of its output is corrugated case materials used for manufacturing corrugated board.

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